Public Comment
Written Response

Memo: August 12, 2011

Constituent Comments

Advocate Comments

Underwriters, Independent Agent, and Health Plan Comments

Health Care Organization, Association, System Comments

Business, Information Technology, General Consulting Comments

Constituent Comments

Dear Members of the Virginia Health Care Initiative,

I thank you for your efforts to make health care better and more affordable here in Virginia. I am an individual with pre-existing medical conditions which have prevented me from obtaining health insurance in the past. I also have two children in the same situation. Both children are young adults now. Fortunately they have been able to stay on my husband's health insurance under the Affordable Care Act. That provision of the ACA is vital for our family.

Health insurance is important, and I wish it was easier to obtain outside an employer-provided plan. I support the formation of a health benefit exchange in Virginia. In my opinion, an "active purchaser" model where businesses and individuals may pool together to negotiate health insurance rates is the way to go in Virginia. As you know, the cost of health care and health insurance coverage continues to rise at alarming levels. Currently, businesses are forced to either increase employee insurance premium contributions, reduce coverage, or take a profit hit by paying for the increases. This is occurring during the worst national economic crisis in a generation. This opportunity to lower costs for both individuals and businesses, while providing coverage for a broader population in our state through an exchange, should not be missed.

We also need strong conflict of interest rules. I support transparency so that the board of the health benefit exchange will be perceived as credible in working toward the best interest of all Virginians. Including small business owners and individual citizens on the board in addition to health care and insurance providers will give Virginians confidence that the board is working in the public interest.

I hope that you will consider my statements in making your decisions during your upcoming meetings.

Thank you,

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To: VHRI@governor.virginia.gov

From: Karen Kallay, member of Mental Health America, National Alliance on Mental Illness, Virginia Organization of Consumers Asserting Leadership (VOCAL), Advisory Committee of Virginia's Western State Hospital, and Virginia Organizing

Date: Aug. 25, 2011

Subject: Comments on September 9 Memo on **Preparing for Potential 2012 Health Benefit Exchange legislation**

Major needs:

1. An "active purchaser" Exchange in order to be able to promote the dozens of increased efficiencies already demonstrated around the country and identified in numerous white papers that otherwise would not appear.

2. A specific Exchange promotion of more case worker services especially for seriously mentally ill individuals, to begin to lessen the average 20+ year reduction in their life spans.

3. An Exchange Advisory Board that includes strong representation from consumer advocacy groups such as for small businesses, the ill, and especially those with mental illness or mood disorders.

4. A Basic Health Program as described in the September 9 Memo which can provide continuity of coverage for those whose health conditions move them from program to program.
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Justification:

1. An "active purchaser" Exchange in order to be able to promote the dozens of increased efficiencies already demonstrated around the country and identified in numerous white papers.

A. The natural inertia of huge systems and vested interests already in place will require significant financial carrots and sticks to change. An Active Purchaser Exchange (APE) can provide this.

B. Still-emerging federal regulations already encourage many of these win-win changes, but leave much of it to the state to promote or require. We must follow through. A major example of such a win-win concept is the bundling of hospital services into a single reimbursable item, partly dependent on a defined successful outcome. Here the providers' self-interest better aligns with those of the patient.

C. The "free market" has already proven itself to be an extremely uneven playing field. The tax dollars included in the Exchange carry an obligation to promote the general community welfare, not just expanded payments to the best organized and politically powerful providers.

2. Specific promotion in the Exchange of more case worker services especially for seriously mentally ill individuals, to begin to lessen the average 20+ year reduction in their life spans.

A. Especially the ill have difficulty in navigating our often complex and scattered insurance and service requirements. For the mentally ill, this more often becomes impossible.

B. Case workers or "connection supporters," where used, enable much better outcomes at much less cost. They can help the patient with referrals. For example, they can find a provider that accepts the patient's insurance or that is near a bus line; they can make the appointment and help arrange transportation; they can make a follow-up call to see if the appointment was kept and was satisfactory and any reports received. Further, they can promote communication *between medical and mental health* providers.

C. Considering how many psychotropic meds can be habit-forming while promoting weight gain, high blood pressure, diabetes, and heart disease, the earlier deaths are little surprise.

3. An Exchange Advisory Board that includes strong representation from consumer advocacy groups such as for small businesses, the ill, and especially those with mental illness or mood disorders.

A. Composition of the VHRI Advisory Council set a dangerous precedent and only indirectly gave a voice to consumer groups through their written and oral statements. The proposed Exchange's customer tends to be either the healthy uninsured person who has little motivation to be involved in the VHRI process, or tends to be sick, often chronically sick, and with fewer financial and energy resources to advocate.

B. Mature organizations do exist to advocate for these groups. Even the huge numbers of the mentally ill can be reasonably well represented by the organizations listed in the header of this statement. With a formal role on the Exchange, they can better overcome the cost and time challenges that otherwise can prevent their full participation.

C. Consumer participants in the Exchange can learn from staff and professional reports and from discussions and take this back to their constituencies. They can occasionally anticipate and prevent an unintended consequence that is otherwise likely to arise in policy making.

D. On a board of 13-16 people, there should be roughly one third representing groups being served. The general population can be represented by about five legislators.

4. A Basic Health Program as described in the September 9 Memo which can provide continuity of coverage for those whose health conditions move them from program to program.

As more and more individuals' illnesses seem to become chronic, especially with an aging population, their changing financial situation can easily disqualify them from a given program. The Basic Health Program can ensure the continued availability of care when it might not otherwise be affordable, thereby keeping an illness from worsening.